



November 24, 1997

BOONE COUNTY COMMUNITY CREDIT UNION
817-8TH STREET BOONE, IOWA 50036
TELEPHONE: 432-1062

Ms. Cynthia L. Johnson
Director, Cash Management Policy and Planning Division
Financial Management Service
401 14th Street, SW, Room 420
Washington, D.C. 20227

Dear Ms. Johnson:

This letter is sent in response to the proposed "EFT 99" electronic funds transfer Federal payment program scheduled to start on January 2, 1999.

One of the provisions in the proposal deals with Federal benefit recipients who currently do not have an account at a financial institution. You indicate in the proposal that these people will be provided with an Electronic Transfer Account (ETA) at a financial institution selected by the Department of the Treasury. My comment or question, if you will, is exactly how will the Treasury Department make or base their decision for selecting the financial institution to set up an ETA account for these non-financial account-holders?

For anyone affected who resides within Boone County of the state of Iowa, I would like to throw our institution's name into the ring as a very qualified candidate to accept these ETA accounts. The reason for this - look no further than your own study completed on Federal Check Recipients that states that 18 percent of telephone survey respondents and 27 percent of mail survey respondents indicated they do not have a bank account **because they do not have enough money to warrant an account, and wish not to pay the fees associated with an account. THIS IS WHERE THE BOONE COUNTY COMMUNITY CREDIT UNION CAN MAKE A DIFFERENCE TO THESE PEOPLE!**

The Boone County Community Credit Union does not require a minimum balance stipulation or risk a service charge with their accounts. The only requirement is that \$25 be held at a minimum as a share owner of the credit union. This \$25 still belongs to the member depositing it if they ever close their account. But surveys show we pay higher rates on savings and checking products and charge lower rates on lending than all our local competition, and we do not assess as many nor as high of service charges either. I would think that in the Treasury Department's selection criteria as to where they place these ETA's, that not only for our own geographic area, but all across the United States, that you would take a close look at credit unions everywhere as a strong possibility at giving these people unhappy with the fees and minimum balances required by banks, the option of credit unions. You may very well do both yourself and these people a big favor by selecting credit unions everywhere.

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I certainly cannot speak for credit unions everywhere, but would think that in the spirit of people helping people, that credit unions everywhere would be more than happy and willing to help all these Federal Check Recipients currently without an account at a financial institution. Further, these people currently without a financial account would be pleasantly surprised at the quality of service and "no strings attached" stipulations that go along with credit union membership, and may simply not be aware of it if all they have checked out are banks up until now.

Thank you for your time in reviewing this letter, and again, I would urge you in your selection process of the ETA's, to take a serious look at credit unions. Credit unions have turned many people who have become disgruntled with banks into very loyal members of a credit union they are qualified to join.

Sincerely,

BOONE COUNTY COMMUNITY CREDIT UNION

A handwritten signature in black ink, appearing to read "Jerry A. Ober". The signature is fluid and cursive, with the first name "Jerry" and last name "Ober" clearly distinguishable.

Jerry A. Ober
Manager